

13704  
REPRODUCTION NO.

JUL 23 1982 -9 30 AM

INTERSTATE COMMERCE COMMISSION

EVANS RAILCAR LEASING COMPANY  
2550 Golf Road  
The East Tower, Suite 1000  
Rolling Meadows, Illinois 600082

July 22, 1982

Office of the Secretary  
Interstate Commerce Commission  
Washington, D.C.

2-204A051  
JUL 23 1982  
Date .....  
Fee \$...50.00  
ICC Washington, D. C.

Re: Security Agreement and Assignment of  
Leases dated as of July 15, 1982

Gentlemen:

Pursuant to 49 U.S.C. § 11303 of the Interstate Commerce Act and the rules and regulations promulgated thereunder, as amended, we hand you herewith for filing seven (7) fully executed counterparts of the above-referenced Security Agreement and Assignment of Leases, all as more fully described herein.

The parties to the Security Agreement and Assignment of Leases are:

Debtor: Evans Railcar Leasing Company  
2550 Golf Road  
The East Tower, Suite 1000  
Rolling Meadows, Illinois 60008

Secured Party: The First National Bank of Chicago  
One First National Plaza  
Chicago, Illinois 60070

FILED  
OFFICE OF THE SECRETARY  
INTERSTATE COMMERCE COMMISSION  
WASHINGTON, D. C.

JUL 23 9 21 AM '82

RECEIVED

A description of the cars and the leases covered by the Security Agreement and Assignment of Leases is contained in Annex A hereto.

Enclosed is Rosenthal and Schanfield check in the amount of \$50.00 in payment of all applicable recording fees.

C. J. Rosenthal  
C. J. Rosenthal

July 22, 1982  
Page Two

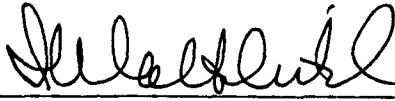
Since the above-mentioned documents are being delivered to you by hand, we would appreciate it if you could return to the person delivering the same duly stamped copies of the documents not required to be kept by you. If this is not possible, please return the same by mail to:

I. Walter Deitch  
Rosenthal and Schanfield  
55 East Monroe Street, Suite 4620  
Chicago, Illinois 60603

Very truly yours,

EVANS RAILCAR LEASING COMPANY

By

  
~~vice President~~  
Asst Secretary

Enclosures

DESCRIPTION OF CARS AND LEASES

ANNEX A

<u>TYPE OF CAR</u>	<u>QUANTITY</u>	<u>LESSEE</u>	<u>LEASE DATE</u>	<u>SCHEDULE NO.</u>	<u>SCHEDULE DATE</u>	<u>TERM (YEARS)</u>	<u>CAR NUMBERS (BOTH INCLUSIVE)</u>
New 4780 c. f. 100-ton covered hopper cars	52	Far-Port Cooperative, Inc.	6/20/79	1	6/20/79	5	USLX 26425-26476
New 60' 100- ton bulkhead flat cars	225	Texas Oklahoma and Eastern Railroad Company	3/18/80	N/A	N/A	15	TOE 4100-4324

# Interstate Commerce Commission

Washington, D.C. 20423

## OFFICE OF THE SECRETARY

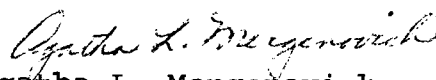
I. Walter Deitch  
Rosenthal and Schanfield  
55 East Monroe St.-Suite 4620  
Chicago, Illinois 60603

July 23, 1982

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/23/82 at 9:30AM , and assigned re-recording number(s). 13704

Sincerely yours,

  
Agatha L. Mergenovich  
Secretary

Enclosure(s)

EVANS RAILCAR LEASING COMPANY  
EQUIPMENT SECURITY AGREEMENT AND ASSIGNMENT OF LEASES  
DATED AS OF July 15, 1982

RECORDATION NO. 13704  
JUL 23 1982 - 9 30 AM  
INTERSTATE COMMERCE COMMISSION

1. DEFINITIONS.

As used in this Security Agreement,

"Bank" means The First National Bank of Chicago.

"Collateral" means all right, title and interest of the Company and to all now existing and hereafter arising Equipment, Leases and proceeds thereof, including insurance and indemnity proceeds.

"Company" means EVANS RAILCAR LEASING COMPANY, an Illinois corporation.

"Equipment" means all railroad cars that are (i) identified on Schedule I hereto, or (ii) hereafter identified on any other schedules hereafter delivered to the Bank in the form of Exhibit "A" hereto, and all accessions and appurtenances thereto.

"Leases" means all lease agreements from time to time in effect between the Company and lessees of the Equipment and all accounts, contract rights, instruments, documents and chattel paper from time to time arising from or related to such Equipment and Leases, including, without limitation, (i) all amendments and modifications made from time to time to such Leases, (ii) the right to receive all rent payable in connection with use of the Equipment, (iii) all claims for damages arising out of the breach of any Lease, (iv) the right, if any, to terminate any Lease, to perform thereunder and to compel performance of the terms thereof, and (v) the right to take possession of the Equipment.

"Lien" means any security interest, mortgage, pledge, lien, claim, charge, encumbrance, title retention agreement, or lessor's interest, in, of or on any of the Collateral.

"Loan Agreement" means the Eurodollar Revolving Credit, dated as of July 15, 1982, between the Company and the Bank, as amended from time to time.

"Obligations" means all indebtedness, liabilities and other obligations of the Company to the Bank, direct or indirect, absolute or contingent, now existing or hereafter arising, including, without limitation, all the foregoing arising from time to time under the Loan Agreement and all promissory notes issued pursuant thereto.

"Potential Default" means an event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

"Section" means a numbered section of this Security Agreement, unless another document is specifically referenced.

"Security Agreement" means this Equipment Security Agreement and Assignment of Leases, as it may be amended or supplemented from time to time.

The foregoing definitions shall be equally applicable to both the singular and plural forms of the defined terms.

## 2. GRANT OF SECURITY INTEREST.

The Company grants to the Bank a security interest in the Collateral to secure payment of the Obligations.

## 3. REPRESENTATIONS AND WARRANTIES.

The Company represents and warrants to the Bank as of each Loan Closing Date (as defined in the Loan Agreement) that:

3.1. Corporate Existence and Standing. The Company is a corporation duly incorporated, validly existing and in good standing under the laws of its jurisdiction of incorporation and has all requisite authority to conduct its business in each jurisdiction in which its business is conducted.

3.2. Authorization, Validity and Enforceability. The execution and delivery by the Company of this Security Agreement has been duly authorized by proper corporate proceedings and this Security Agreement constitutes a valid and binding obligation of the Company, creates a security interest which is enforceable against the Company in the Collateral in which the Company now has rights and will create a security interest enforceable against the Company in Collateral in which the Company hereafter acquires rights at the time the Company acquires any such right.

3.3. Conflicting Laws and Contracts. Neither the execution and delivery by the Company of this Security Agreement, the creation and perfection of the security interest in the Collateral granted hereunder, nor compliance with the terms and provisions hereof will violate any law, rule, regulation, order, writ, judgment, injunction, decree or award binding on the Company or the Company's certificate of incorporation or by-laws or the provisions of any indenture, instrument or agreement to which the Company is a party or is subject, by or which it, or its property, is bound, or conflict with or constitute a default thereunder, or result in the creation or imposition of any Lien pursuant to the terms of any such indenture, instrument or agreement.

3.4. Collateral Records. Records relating to the Collateral are maintained only at Suite 1000, 2550 Golf Road, Rolling Meadows, IL.

3.5. Chief Executive Office. The Company's chief executive office is located at Suite 1000, 2550 Golf Road, Rolling Meadows, IL.

3.6. Mailing Address. The mailing address of the Company is set forth in Section 8.1.

3.7. No Other Names. The Company has not conducted business under any name except the name in which it has executed this Security Agreement and United States Railway Leasing Company and United States Equipment Company.

3.8. No Default. No Default or Potential Default exists.

3.9. Accuracy of Records. The names of the obligors, amounts owing, due dates and other information with respect to the Collateral are and will be correctly stated in all records of the Company relating thereto and in all invoices and reports with respect thereto furnished to the Bank.

3.10. No Financing Statements. No financing statement or other public filing which has not lapsed or been terminated naming the Company as debtor and covering all or any portion of the Collateral has been filed in any jurisdiction except financing statements naming the Bank as secured party.

3.11. Form of Leases; Type of Equipment. All Leases pledged to the Bank hereunder will be substantially in the form of Exhibit "B" hereto, and all Equipment pledged to the Bank hereunder will be standard gauge railroad cars manufactured by Evans Transportation Company or by other manufacturers of comparable railroad cars.

3.12. Enforceability of Agreements; First Lien on Equipment. The Leases listed in Schedule I hereto are, and all other Leases listed in the schedules to be delivered pursuant hereto will be, legal, valid and binding obligations of the parties thereto enforceable in accordance with their terms, subject to no setoff, defense or counterclaim of any kind but subject to applicable bankruptcy, insolvency and similar laws relating generally to the enforcement of creditors rights from time to time in effect and to applicable principles of equity if equitable remedies are sought. The Company has in the case of the Equipment listed in Schedule I hereto, and will have in the case of Equipment listed in schedules hereafter delivered pursuant hereto, ownership of such Equipment (except to the extent permitted by Section 5.1.11 of the Loan Agreement) free and clear of all liens, security interests or other encumbrances except in favor of the Bank.

3.13. Legality of Agreements. The Leases listed in Schedule I hereto do not, and all other Leases listed in the schedules to be delivered pursuant hereto will not, violate any law or governmental rule or regulation applicable thereto or to any obligor thereon or to the Company.

#### 4. COVENANTS.

From the date of this Security Agreement, and thereafter until this Security Agreement is terminated pursuant to Section 7.16,

##### 4.1. The Company will:

4.1.1. Delivery of Certain Items. After the occurrence of a Default, from time to time deliver to the Bank immediately upon the Bank's request (a) duplicate invoices with respect to each account arising under the Leases as the Bank shall specify, (b) the originals of all instruments, documents and chattel paper constituting Collateral indorsed and assigned as the Bank shall specify and (c) proceeds of the Collateral.

4.1.2. Inspection. Permit the Bank, by its representatives and agents, to inspect the Collateral in a manner not interfering with any lessee's rights to use the Equipment subject to such inspection, to examine and make copies of the records of the Company relating thereto, and to discuss the Collateral, and the records of the Company with respect thereto with, and to be advised as to the same by, the Company's officers and, in the case of any Lease, with any person or entity which is or may be obligated thereon, subject to the consent of any such person or entity all at such reasonable times and intervals as the Bank may determine. If any discount, credit, agreement to make a rebate or to otherwise reduce the amount owing on a Lease exists or if, to the knowledge of the Company, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to a Lease, such fact shall be disclosed to the Bank in writing in connection with the inspection by the Bank of any record of the Company relating to such Lease and in connection with any invoice or report furnished by the Company to the Bank relating to such Lease.

4.1.3. Taxes. Pay, or cause to be paid, when due all taxes, assessments and governmental charges and levies upon the Collateral, except those which are being contested in good faith by appropriate proceedings and with respect to which no Lien exists.

4.1.4. Maintenance of Records. Maintain complete and accurate records with respect to the Collateral.

4.1.5. Maintenance and Use of Equipment. At all times maintain each item of Equipment, or cause each item of Equipment to be maintained, in good order and repair, including without limitation in condition suitable for use in interchange if and to the extent permitted by the Interchange Rules of the Association of American Railroads, and at all times use, or cause each item of



Equipment to be used, only in the manner for which it was designed and intended.

4.1.6. Compliance with Law. Comply, or cause the lessees of the Equipment to comply, in all respects with all laws of the jurisdictions in which its operations involving the Equipment may extend, with the interchange rules of the Association of American Railroads and with all lawful rules of the Department of Transportation, Interstate Commerce Commission and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Equipment, to the extent that such laws and rules affect the title, operation or use of the Equipment, and in the event that such laws or rules require any alteration, replacement or addition of any part on any units of the Equipment, the Company will conform therewith, at its own expense; provided, however, that the Company may, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of the Bank, adversely affect the property or rights of the Bank under this Agreement.

4.1.7. Notice of Default. Give prompt notice in writing to the Bank of the occurrence of any Default or Potential Default and of any other development, financial or otherwise, which might materially adversely affect the Collateral, or the ability of the Company to perform the Obligations.

4.1.8. ICC Filing. Execute and deliver to the Bank all supplements hereto and other documents from time to time requested by the Bank in order to maintain a first perfected security interest in the Collateral and to maintain a complete copy hereof (including all schedules of collateral delivered hereunder) on file in the appropriate office(s) pursuant to Section 11303 of the Interstate Commerce Act, as amended from time to time.

4.1.9. Reports. Furnish to the Bank such reports relating to the Collateral as the Bank shall from time to time reasonably request.

4.1.10. Notification of Obligors. After the occurrence of a Default, from time to time upon the request of the Bank, notify the obligors on the Leases to make payment thereon at such place and in such manner as the Bank shall specify.

4.1.11. Marking of Equipment. The Borrower will keep and maintain or cause to be kept and maintained, plainly, distinctly, permanently and conspicuously marked on each item of Equipment, in letters not less than seven-sixteenths of an inch in height, the following statement:

"TITLE TO THIS CAR SUBJECT TO DOCUMENTS RECORDED WITH THE INTERSTATE COMMERCE COMMISSION."

or other appropriate words stenciled on the item of Equipment with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the Bank's security interest in the Equipment and its rights hereunder. Once the Equipment is so marked, the Borrower will not permit the identifying number of any item of Equipment to be changed without recording such change with the Interstate Commerce Commission.

4.2. The Company will not:

4.2.1. Liens. Create, incur, or suffer to exist any Lien except the security interest created by this Security Agreement and except to the extent permitted by Section 5.1.11. of the Loan Agreement.

4.2.2. Disposition of Collateral. Sell or otherwise dispose of the Collateral except, prior to the occurrence of a Default, cash proceeds of the Collateral collected in the ordinary course of business and except to the extent permitted by Section 5.2.2. of the Loan Agreement.

4.2.3. Change in Location or Name. Without giving the Bank 30 days prior written notice thereof, (i) maintain records concerning the Collateral at a location other than a location specified in Section 3.4, (ii) maintain its chief executive office at a location other than that specified in Section 3.5., (iii) change its name or (iv) change its mailing address.

4.2.4. Other Financing Statements. Sign or authorize the signing on its behalf of any financing statement or other notice or filing naming it as debtor and containing a description of the collateral therein sufficiently broad to cover all or any portion of the Collateral, except financing statements and other notices naming the Bank as secured party.

4.2.5. Location. Permit any of the Equipment to be leased to any lessee located outside the continental United States or permit Equipment having an aggregate collateral value (determined on the basis of the lesser of book value or market value on the date of determination) of more than 10% of the Total Collateral Value (as defined in the Loan Agreement) to be located outside the jurisdiction of the continental United States at any one time.

5. DEFAULT.

5.1. The occurrence of any one or more of the following events shall constitute a Default:

5.1.1. Any representation or warranty made by the Company to the Bank under or in connection with this Security Agreement (including representations and warranties made in the schedules of collateral from time to time delivered hereunder) shall be materially false as of the date on which made.

5.1.2. The breach by the Company of any of the terms or provisions of Sections 4.1.1, 4.1.7, 4.1.8, or 4.2.

5.1.3. The breach by the Company (other than a breach which constitutes a Default under Sections 5.1.1 or 5.1.2) of any of the terms or provisions of this Security Agreement which is not remedied within 30 days after written notice from the Bank.

5.1.4. Any Obligation shall not be paid when due, whether at stated maturity, upon any accelerated maturity or otherwise, and after giving effect to any period of grace applicable thereto, if any, under the Loan Agreement.

5.1.5. The Bank shall not have a first perfected security interest in the Collateral other than as permitted by Section 4.2.1..

5.1.6. The Company shall (a) be adjudicated a bankrupt or become subject to an order for relief, (b) not pay, or admit in writing its inability to pay, its debts generally as they become due, (c) make an assignment for the benefit of creditors, (d) apply for, seek, consent to, or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its property, (e) institute any proceeding seeking to adjudicate it a bankrupt, a debtor in need of relief or insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it, (f) take any corporate action to authorize or effect any of the foregoing actions set forth in this Section 5.1.6 or (g) fail to contest in good faith any appointment or proceeding described in Section 5.1.7.

5.1.7. Without the application, approval or consent of the Company, a receiver, trustee, examiner, liquidator or similar official shall be appointed for the Company or any substantial part of its property, or a proceeding described in Section 5.1.6(e) shall be instituted against the Company or any Subsidiary and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of 30 consecutive days.

5.1.8. Any Default shall occur as defined in the Loan Agreement.

5.2. Acceleration and Remedies. If any Default occurs, then, upon the election of the Bank, the Obligations shall immediately become due and payable without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived, and the Bank may exercise any or all of the rights and remedies provided (a) in this Security Agreement, (b) to a secured party when a debtor is in default under a security agreement by the Illinois Uniform Commercial Code, (c) in the Loan Agreement and (d) by any other applicable law.

5.3. Contract Rights. Without limiting the generality of Section 5.2, on the occurrence of a Default the Bank may (but shall have no obligation to) from time to time exercise all or any portion of the Company's contract rights under the Leases. The Company agrees to cooperate with the Bank in the exercise of such rights and not to restrain or interfere with, or to initiate any actions or proceedings to, restrain or interfere with the exercise thereof.

5.4. Company's Obligations Upon Default. Upon the request of the Bank after the occurrence of a Default, the Company will,

5.4.1. Assembly of Collateral. Subject to the rights of the lessees under the Leases, assemble and make available to the Bank the Collateral and all records relating thereto at any place or places specified by the Bank.

5.4.2. Bank Access. Permit the Bank, by the Bank's representatives and agents, to enter any premises where all or any part of the Collateral, or the records relating thereto, or both, are located, to take possession of all or any part of the Collateral and the records relating thereto and to remove all or any part of the Collateral and the records relating thereto. The Borrower hereby expressly waives any and all claims against the Bank or its agents for damages of whatever nature in connection with any lawful retaking of any item of Equipment pursuant to the terms hereof.

## 6. WAIVERS, AMENDMENTS AND REMEDIES.

No delay or omission of the Bank to exercise any right or remedy granted under this Security Agreement shall impair such right or remedy or be construed to be a waiver of any Default or an acquiescence therein, and any single or partial exercise of any such right or remedy shall not preclude other or further exercise thereof or the exercise of any other right or remedy, and no waiver, amendment or other variation of the terms, conditions or provisions of this Security Agreement whatsoever shall be valid unless in writing signed by the Bank, and then only to the extent in such writing specifically set forth. All rights and remedies contained in this Security Agreement or by law afforded shall be cumulative and all shall be available to the Bank until the Obligations have been paid in full.

## 7. GENERAL PROVISIONS.

7.1. Special Collateral Account. All cash proceeds of the Collateral received by the Bank after the occurrence of a Default pursuant to Section 4.1.1, Section 7.2 or otherwise shall be deposited in a special collateral account in the Bank and shall be held by the Bank as security for the Obligations. The Company shall have no control whatsoever over said special collateral account except that, at the reasonable request of the Company prior to the occurrence of a Default, cash maintained in the special collateral account shall be invested by the Bank in short-term obligations of the United States of America or of the Bank or in commercial paper rated A1 by Standard and Poor's or P1 by Moody's Investors Service, provided that the Bank shall at all times have a first perfected security interest therein. Upon the Company's request, the Bank promptly will pay to the Company any amounts of interest received by it from such investments, provided that the Bank may retain such interest in the special collateral account if either (i) after giving effect to such payment, Total Collateral Value (as defined in the Loan Agreement) would be less than the outstanding principal amount of the Obligation, or (ii) a Default or Potential Default exists under the Loan Agreement or this Agreement. The Bank may, but is not required to, at any time and from time to time, in its sole discretion, apply any part of the credit balance in said special collateral account to the payment of the Obligations when due, whether by acceleration or otherwise.

7.2. Notification to Certain Obligors and Possession of Proceeds. The Bank may in its sole discretion after the occurrence of a Default (i) notify the obligors on any or all of the Collateral to make payment to the Bank and (ii) take possession of any or all proceeds of the Collateral.

7.3. Notice of Disposition of Collateral; Etc. Notice of the time and place of any public sale or the time after which any private sale or other disposition of all or any part of the Collateral may be made shall be reasonable if sent to the Company, addressed as set forth in Section 8, at least ten days prior to any such public sale or the time after which any such private sale or other disposition may be made. Any sale hereunder may be held or conducted at such place or places and at such time or times as the Bank may specify, in one lot and as an entirety or in separate lots and without the necessity of gathering at the place of sale the property to be sold.

7.4. Compromises and Collection of Collateral. The Company and the Bank recognize that setoffs, counterclaims, defenses and other claims may be asserted by obligors with respect to certain of the Leases, that certain of the Leases may be or become uncollectible in whole or in part and that the expense and probability of success in litigating a disputed Lease may exceed the amount that reasonably may be expected to be recovered with respect to such Lease. In view of the foregoing, the Company agrees that after the occurrence of a

Default the Bank may at any time and from time to time compromise with the obligor on any Lease, accept in full payment of any Lease such amount as the Bank in its sole discretion shall determine or abandon any Lease, and any such action by the Bank shall be commercially reasonable so long as the Bank acts in good faith based on information known to it at the time it takes any such action.

7.5. Bank Performance of Company Obligations. Without having any obligation to do so, after a Default or a Potential Default the Bank may perform or pay any obligation which the Company has agreed to perform or pay in this Security Agreement and the Company shall reimburse the Bank for any amounts paid by the Bank pursuant to this Section 7.5. The Company's obligation to reimburse the Bank pursuant to the preceding sentence shall be an Obligation payable on demand.

7.6. Authorization for Bank to Take Certain Action. The Company irrevocably authorizes the Bank at any time and from time to time in the sole discretion of the Bank (a) to execute on behalf of the Company as debtor and to file financing statements necessary or desirable in the Bank's sole discretion to perfect and to maintain the perfection of the Bank's security interest in the Collateral, (b) after the occurrence of a Default to indorse and collect any cash proceeds of the Collateral, (c) to file a carbon, photographic or other reproduction of this Security Agreement or any financing statement with respect to the Collateral as a financing statement in such offices as the Bank in its sole discretion deems necessary or desirable to perfect and to maintain the perfection of the Bank's security interest in the Collateral, and (d) after the occurrence of a Default to enforce payment of the Leases in the name of the Bank or the Company.

7.7. Specific Performance of Certain Covenants. The Company acknowledges and agrees that a breach of any of the covenants contained in Section 4.1.1, 4.2.2, 5.3, 5.4 and 7.8 will cause irreparable injury to the Bank, that the Bank has no adequate remedy at law in respect of such breaches and therefore agrees, without limiting the right of the Bank to seek and obtain specific performance of other obligations of the Company contained in this Security Agreement, that the covenants of the Company contained in the Sections referred to in this Section 7.7 shall be specifically enforceable against the Company.

7.8. Use and Possession of Certain Premises. Upon the occurrence of a Default, the Bank shall be entitled to access to any premises owned or leased by the Company where any of the Collateral or any records relating to the Collateral are located until the Obligations are paid or the Collateral and the records relating thereto are removed therefrom, whichever first occurs, without any obligation to pay the Company for such use and occupancy.

7.9. Dispositions Not Authorized. The Company is not authorized to sell or otherwise dispose of the Collateral except as set forth in Section 4.2.2 and notwithstanding any course of dealing between the Company and the Bank or other conduct of the Bank, no authorization to sell or otherwise dispose of the Collateral (except as set forth in Section 4.2.2) shall be binding upon the Bank unless such authorization is in writing signed by the Bank.

7.10. Definition of Certain Terms. Terms defined in the Illinois Uniform Commercial Code which are not otherwise defined in this Security Agreement are used in this Security Agreement as defined in the Illinois Uniform Commercial Code as in effect on the date hereof.

7.11. Benefit of Agreement. The terms and provisions of this Security Agreement shall be binding upon and inure to the benefit of the Company and the Bank and their respective successors and assigns, except that the Company shall not have the right to assign its rights under this Security Agreement or any interest herein, without the prior written consent of the Bank.

7.12. Survival of Representations. All representations and warranties of the Company contained in this Security Agreement shall survive the execution and delivery of this Security Agreement.

7.13. Taxes and Expenses; Indemnity. Any taxes (excluding income taxes) payable or ruled payable by Federal or State authority in respect of this Security Agreement shall be paid by the Company, together with interest and penalties, if any. The Company shall reimburse the Bank for any and all out-of-pocket expenses and internal charges paid or incurred by the Bank in connection with the administration, collection and enforcement (including attorney's fees and reasonable time charges of attorneys who may be employees of the Bank) of this Security Agreement and the Obligations.

7.14. Choice of Law. This Security Agreement shall be construed in accordance with the laws of Illinois applicable to contracts made and performed in Illinois by an Illinois borrower and an Illinois lender; provided however, that the Bank shall be entitled to all rights conferred by the filing, recording or deposit hereof in the appropriate office(s) pursuant to Section 11303 of the Interstate Commerce Act or in such other offices as may be appropriate in the jurisdiction in which the Equipment is located.

7.15. Headings. The title of and section headings in this Security Agreement are for convenience of reference only, and shall not govern the interpretation of any of the terms and provisions of this Security Agreement.

7.16. Termination. This Security Agreement shall be continuing and shall terminate only upon termination of the Loan Agreement and payment in full of the Obligations.

7.17. Entire Agreement. This Security Agreement embodies the entire agreement and understanding between the Company and the Bank relating to the Collateral and supersedes all prior agreements and understandings between the Company and the Bank relating to the Collateral.

7.18. Release of Collateral. Upon request of the Company, the Bank shall release its security interest in any item of Equipment provided that no Default or Potential Default shall have occurred and be continuing and that the Company shall (i) subject additional Equipment to this Security Agreement at least equal to the lesser of the net book value or market value of the released Equipment on the date of such release or (ii) deposit with the Bank cash collateral pursuant to Section 7.1 of this Security Agreement in an amount at least equal to the lesser of the net book value or market value of the released Equipment on the date of such release or (iii) provide a certificate to the Bank indicating that after the release of such Equipment the Total Collateral Value (as defined in the Loan Agreement) will be equal to at least 120% of the outstanding principal amount of the Obligations on the date of such release.

7.19. Amendment of Leases. Provided that no Default shall have occurred and be continuing, the Company may amend, modify or terminate any Lease in accordance with its present policies in the ordinary course of its business.

## 8. NOTICES.

8.1. Sending Notices. Any notice required or permitted to be given under this Agreement may be, and shall be deemed, given and sent when deposited in the United States mail, postage prepaid, or by telegraph or telex when delivered to the appropriate office for transmission, charges prepaid, addressed

To the Company as follows:

Evans Railcar Leasing Company  
The East Tower, Suite 1000  
2550 Golf Road  
Rolling Meadows, IL 60008

Attn: Paul R. Leak

To the Bank as follows:

The First National Bank of Chicago  
One First National Plaza  
Chicago, Illinois 60670

Attn: Susan Gregg,  
Transportation Group



8.2. Change in Address for Notices. The Company and the Bank may each change the address for service of notice upon it by a notice in writing to the other.

In Witness Whereof, the Company has executed this Agreement as of the date first above written.

EVANS RAILCAR LEASING COMPANY

By: 

Vice President

(Corporate Seal)

STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

On this 22nd day of July, 1982, before me personally appeared Paul R. Leak, to me personally known, who, being by me duly sworn, says that he is a Vice-President of Evans Railcar Leasing Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on July 22, 1982, signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lisa Marie Watzina  
Notary Public

(Notarial Seal)

My Commission Expires November 3, 1983

Schedule I to the Equipment Security Agreement,  
dated as of July 15, 1982 (the "Security Agreement"),  
between EVANS RAILCAR LEASING COMPANY (the "Company") and  
The First National Bank of Chicago (the "Bank")

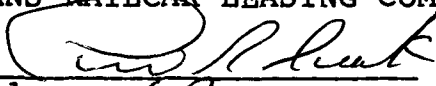
Pursuant to the Security Agreement, the Company hereby pledges to the Bank all the Company's right, title and interest in and to the Equipment described in Annex A hereto, the Leases arising therefrom and the proceeds thereof:

<u>Type of</u> <u>Equipment</u>	<u>Quantity</u>	<u>Lessee</u>	<u>Lease</u>	<u>Schedule</u> <u>Number</u>	<u>Date of</u> <u>Schedule</u>	*
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<u>Term</u>	<u>Car Reporting Marks</u>	*
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Attached hereto is a full and complete copy of the above-described Leases. The Company represents and warrants that on the date of delivery hereof and after giving effect to the pledge herein contained, the representations and warranties made by the Company in Sections 3.10, 3.11, 3.12 and 3.13 of the Security Agreement are true and correct.

EVANS RAILCAR LEASING COMPANY

By   
Title VP  
Date 7/22/82

(Corporate Seal)

\* This information may all be included in Annex A, rather than in the text of Schedule I.

DESCRIPTION OF CARS AND LEASES

ANNEX A

<u>TYPE OF CAR</u>	<u>QUANTITY</u>	<u>LESSEE</u>	<u>LEASE DATE</u>	<u>SCHEDULE NO.</u>	<u>SCHEDULE DATE</u>	<u>TERM (YEARS)</u>	<u>CAR NUMBERS (BOTH INCLUSIVE)</u>
New 4780 c. f. 100-ton covered hopper cars	52	Far-Port Cooperative, Inc.	6/20/79	1	6/20/79	5	USLX 26425-26476
New 60' 100- ton bulkhead flat cars	225	Texas Oklahoma and Eastern Railroad Company	3/18/80	N/A	N/A	15	TOE 4100-4324

EXHIBIT "A"

Amendment to  
Schedule I to the Equipment Security Agreement,  
dated as of July 15, 1982 (the "Security Agreement"),  
between EVANS RAILCAR LEASING COMPANY (the "Company") and  
The First National Bank of Chicago (the "Bank")

Pursuant to the Security Agreement, the Company hereby pledges to the Bank all the Company's right, title and interest in and to the Equipment described in Annex A hereto, the Leases arising therefrom and the proceeds thereof:

<u>Type of</u> <u>Equipment</u>	<u>Quantity</u>	<u>Lessee</u>	<u>Lease</u>	<u>Schedule</u> <u>Number</u>	<u>Date of</u> <u>Schedule</u>	*
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<u>Term</u>	<u>Car Reporting Marks</u>	*
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Attached hereto is a full and complete copy of the above-described Leases. The Company represents and warrants that on the date of delivery hereof and after giving effect to the pledge herein contained, the representations and warranties made by the Company in Sections 3.10, 3.11, 3.12 and 3.13 of the Security Agreement are true and correct. This Amendment shall be attached to and become a part of Schedule I of the Security Agreement.

EVANS RAILCAR LEASING COMPANY

By \_\_\_\_\_  
Title \_\_\_\_\_  
Date \_\_\_\_\_

(Corporate Seal)

\* This information may be included in Annex A, rather than in the text of the Amendment to Schedule I.

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS:

On this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he is a \_\_\_\_\_ of Evans Railcar Leasing Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on \_\_\_\_\_, 19\_\_\_\_, signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

\_\_\_\_\_  
Notary Public

(Notarial Seal)

My Commission Expires \_\_\_\_\_, 19\_\_\_\_